



**FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)**

Case Reference : **CHI/00HE/MNR/2021/0041**

Property : **Knowle Farmhouse
Knowle Farm
Upton Cross
Liskeard
Cornwall
PL14 5BG**

Landlord : **Mr & Mrs Stansfield**

Representative : **None**

Tenant : **Mr T and Mrs C Dempsey**

Representative : **None**

Type of Application : **Determination of a Market Rent
sections 13 & 14 of the Housing Act
1988**

Tribunal Members : **Mr I R Perry BSc FRICS
Ms C D Barton BSc MRICS
Mr M J F Donaldson FRICS MCI Arb
MAE**

Date of Inspection : **None. Determined on papers**

Date of Decision : **15th June 2021**

DECISION

Summary of Decision

1. On 15th June 2021 the Tribunal determined a market rent of £850 per month to take effect from 14th May 2021.

Background

2. The case concerned the determination of a market rent for the subject property following a referral of the Landlord's notice of increase of rent by the Tenant pursuant to sections 13 and 14 Housing Act 1988.
3. On 14th April 2021 the Landlord served a notice under Section 13(2) of the Housing Act 1988 which proposed a rent of £800 per month to take effect from 14th May 2021. The notice complied with the legal requirements.
4. On 21st April 2021 the Tribunal received an application from the Tenant under Section 13(4) (a) of the Housing Act 1988.
5. The Coronavirus pandemic and considerations of health have caused a suspension of inspections and Tribunal hearings in person until further notice.
6. The Tribunal issued directions on 30th April 2021 informing the parties that the Tribunal intended to determine the rent based on written representations. The parties were invited to make submissions which could include photographs or videos.
7. The Landlord submitted papers which had been copied to the Tenant, but the Tenant did not submit any further papers. A Tribunal was arranged for 15th June 2021 using video conferencing.

The property

8. From the information given in the papers and available on the internet the property comprises a detached house, one of several buildings comprising a working farm, on the eastern side of Bodmin Moor, a rural environment, between Launceston and Liskeard.
9. The accommodation is described as including a large Kitchen/Diner with Pantry, Living Room, Kitchen, Bathroom and four Bedrooms. There is a garden and parking facilities. The property has an LPG central heating system and double-glazed windows. It is described within its Energy performance Certificate as having solid walls.

Submissions

10. The Tenant had previously worked for the Landlord as a herdsman and had occupied the property as part of his employment. Having been made redundant earlier this year his occupation became an Assured

Agricultural Occupancy subject to a rent set in accordance with the Housing Act 1988 s.13(2). Accordingly, there is no existing rent.

11. The Tenant provides fitted carpets, curtains and white goods. The wood burner door is broken at present but is to be repaired by the Landlord. The Landlord provides water and drainage to the property.
12. The Landlord states that there was a double bed and a chest of drawers within the property when the Tenant first moved in.
13. The Landlord submitted a short email from a local Estate Agent suggesting that an asking rent for the property should be £900 per month. He also refers to some dampness on the Northeast walls and suggests that the Tenant improves ventilation to combat this.

The Law

S14 Determination of Rent by First-tier Tribunal

- (1) Where, under subsection (4) (a) of section 13 above, a tenant refers to a First-tier Tribunal a notice under subsection (2) of that section, the Tribunal shall determine the rent at which, subject to subsections (2) and (4) below, the Tribunal consider that the dwelling-house concerned might reasonably be expected to be let in the open market by a willing landlord under an assured tenancy-
 - (a) which is a periodic tenancy having the same periods as those of the tenancy to which the notice relates;
 - (b) which begins at the beginning of the new period specified in the notice;
 - (c) the terms of which (other than relating to the amount of the rent) are the same as those of the tenancy to which the notice relates; and
 - (d) in respect of which the same notices, if any, have been given under any of Grounds 1 to 5 of Schedule 2 to this Act, as have been given (or have effect as if given) in relation to the tenancy to which the notice relates.
- (2) In making a determination under this section, there shall be disregarded:-
 - (a) any effect on the rent attributable to the granting of a tenancy to a sitting tenant;
 - (b) any increase in the value of the dwelling-house attributable to a relevant improvement carried out by a person who at the time it was carried out was the tenant, if the improvement-
 - (i) was carried out otherwise than in pursuance of an obligation to his immediate landlord, or
 - (ii) was carried out pursuant to an obligation to his immediate landlord being an obligation which did not relate to the

- specific improvement concerned but arose by reference to consent given to the carrying out of that improvement; and
- (c) any reduction in the value of the dwelling-house attributable to a failure by the tenant to comply with any terms of the tenancy.
- (3) For the purposes of subsection (2)(b) above, in relation to a notice which is referred by a tenant as mentioned in subsection (1) above, an improvement is a relevant improvement if either it was carried out during the tenancy to which the notice relates, or the following conditions are satisfied, namely-
- (a) that it was carried out not more than twenty-one years before the date of service of the notice; and
 - (b) that, at all times during the period beginning when the improvement was carried out and ending on the date of service of the notice, the dwelling-house has been let under an assured tenancy; and
 - (c) that, on the coming to an end of an assured tenancy at any time during that period, the tenant (or, in the case of joint tenants, at least one of them) did not quit.
- (4) In this section "rent" does not include any service charge, within the meaning of section 18 of the Landlord and Tenant Act 1985, but, subject to that, includes any sums payable by the tenant to the landlord on account of the use of furniture, in respect of council tax or for any of the matters referred to in subsection (1) (a) of that section, whether or not those sums are separate from the sums payable for the occupation.

Consideration and Valuation

- 14. The Tribunal first considered whether it felt able to reasonably and fairly decide this case based on the papers submitted only with no oral hearing. Having read and considered the papers it decided that it could do so.
- 15. The Tribunal is required to determine the rent at which the subject property might reasonably be expected to be let in the open market by a hypothetical willing Landlord under an assured tenancy. The personal circumstances of the Tenant are not relevant to this issue.
- 16. Having carefully considered the representations from the parties and associated correspondence and using its own judgement and knowledge of rental values in rural Cornwall, the Tribunal decided that the market rent for the subject property if let today in a condition that was usual for such an open market letting would be £880 per month.
- 17. The property is not entirely what would be expected for an open market letting. The Tribunal needs to adjust this rent to reflect the Landlord's provision of water and drainage, the Tenant's provision of carpets, curtains and white goods and considers that an adjustment should be made to reflect the property's location on a working farm. The Tribunal

did not consider that the provision of one bed and one chest of drawers would materially affect the lettability of the property or the rent received.

18. Using its own experience the Tribunal decided that the following adjustments should be made:

Tenant's provision of white goods	£20
Tenant's provision of carpets and curtains	£25
Location on a working farm	£25
Landlord's provision of water and drainage	(£40)
TOTAL	£30

19. The Tenant made no representation that the starting date for the new rent specified in the Landlord's notice would cause the Tenant undue hardship.

Determination

20. The Tribunal therefore decided that the rent at which the subject property might reasonably be expected to be let in the open market by a willing Landlord under the terms of this assured tenancy was £850 per month.
21. The Tribunal directed that the new rent of £850 per month should take effect from 14th May 2021 this being the date within the original notice.

RIGHTS OF APPEAL

1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application to the First-tier Tribunal at the Regional office which has been dealing with the case. Where possible you should send your application for permission to appeal by email to rpsouthern@justice.gov.uk as this will enable the First-tier Tribunal Regional office to deal with it more efficiently.
2. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision.
3. If the person wishing to appeal does not comply with the 28-day time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.
4. The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking.